

SERFF Tracking Number: MGCA-127149696 State: Arkansas  
 Filing Company: The Chesapeake Life Insurance Company State Tracking Number: 48660  
 Company Tracking Number: CH-26116-IP (01/10) AR 201106 AR CHESAPEAKE 15690  
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity  
 Product Name: CH-26116-IP (01/10) AR - Individual Hospital Confinement Indemnity Policy  
 Project Name/Number: /

## Filing at a Glance

Company: The Chesapeake Life Insurance Company

Product Name: CH-26116-IP (01/10) AR - SERFF Tr Num: MGCA-127149696 State: Arkansas

Individual Hospital Confinement Indemnity  
 Policy

TOI: H14I Individual Health - Hospital Indemnity SERFF Status: Closed-Approved- State Tr Num: 48660  
 Closed

Sub-TOI: H14I.000 Health - Hospital Indemnity Co Tr Num: CH-26116-IP (01/10) State Status: Approved-Closed  
 AR 201106 AR CHESAPEAKE  
 15690

Filing Type: Rate

Reviewer(s): Rosalind Minor

Authors: Sergei Mordovine, Chanel Disposition Date: 05/05/2011  
 Orallo, Sommay Khounlo, Jennifer  
 Schilb

Date Submitted: 05/03/2011

Disposition Status: Approved-  
 Closed

Implementation Date Requested: On Approval

Implementation Date: 06/01/2011

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: Our state of  
 domicile is Oklahoma

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 05/05/2011

State Status Changed: 05/05/2011

Deemer Date:

Created By: Jennifer Schilb

Submitted By: Jennifer Schilb

Corresponding Filing Tracking Number:

Filing Description:

This is a filing to increase premium rate by 15.6% due to underwriting simplification, in addition to removing tobacco  
 usage factor.

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## Company and Contact

### Filing Contact Information

Chanel Orallo,  
9151 Boulevard 26  
North Richlan Hills, TX 76180  
chanel.orallo@healthmarkets.com  
817-255-6427 [Phone]

### Filing Company Information

The Chesapeake Life Insurance Company  
9151 Boulevard 26  
North Richland Hills, TX 76180  
(817) 255-3100 ext. [Phone]  
-----  
CoCode: 61832  
Group Code: 264  
Group Name:  
FEIN Number: 52-0676509  
State of Domicile: Oklahoma  
Company Type:  
State ID Number:

## Filing Fees

Fee Required? Yes  
Fee Amount: \$25.00  
Retaliatory? Yes  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Chesapeake Life Insurance Company	\$25.00	05/03/2011	47222356
The Chesapeake Life Insurance Company	\$25.00	05/04/2011	47254512

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	05/05/2011	05/05/2011

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	05/04/2011	05/04/2011	Jennifer Schilb	05/04/2011	05/04/2011

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## Disposition

Disposition Date: 05/05/2011

Implementation Date: 06/01/2011

Status: Approved-Closed

Comment:

This submission is being approved with the understanding that this is for new business rates only and will not be applied to existing policyholders.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
The Chesapeake Life Insurance Company	15.600%	15.600%	\$0	0	\$0	%	%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Cover Letter	Approved-Closed	Yes
Supporting Document	Rate History	Approved-Closed	Yes
Rate	CH-26116-IP (01/10) AR Rates	Approved-Closed	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 05/04/2011

Submitted Date 05/04/2011

Respond By Date

Dear Chanel Orallo,

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$50.00. Please submit an additional \$25.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

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## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 05/04/2011  
Submitted Date 05/04/2011

Dear Rosalind Minor,

### Comments:

### Response 1

Comments: An additional \$25 has been submitted.

### Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$50.00. Please submit an additional \$25.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Chanel Orallo, Jennifer Schilb, Sergei Mordovine, Sommay Khounlo

SERFF Tracking Number:	MGCA-127149696	State:	Arkansas
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## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	SERFF
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	0.000%
<b>Effective Date of Last Rate Revision:</b>	
<b>Filing Method of Last Filing:</b>	SERFF

## Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
The Chesapeake Life Insurance Company	N/A	15.600%	15.600%	\$0	0	\$0	%	%



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## Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action: Action:*	Rate Action Information:	Attachments
Approved-Closed 05/05/2011	CH-26116-IP (01/10) AR Rates	CH-26116-IP (01/10) AR	New		CH-26116-IP (0110) AR Rates.pdf

# The Chesapeake Life Insurance Company

Administration Office: P.O. Box 982010, North Richland Hills, TX 76182-8010

## Hospital Confinement Indemnity Policy

CH-26116-IP (01/10) AR

Formula
Round( AgeSex x Base x Inflation x Daily Benefit Amount ,2)

Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 12 for annual premium rates.

Inflation
1.000000000

A billing fee of up to \$5 may be charged on direct bill modes. A one time application fee of up to \$30 may be applicable.

Base	Factor
Base	10.430

Based on underwriting results, final rates may range from 50% to the maximum percentage allowed by your state of the calculated rates.

Benefit Options	Factor
Daily Benefit Amount 100	0.300000
Daily Benefit Amount 200	0.600000
Daily Benefit Amount 250	0.937500
Daily Benefit Amount 300	0.900000
Daily Benefit Amount 400	1.200000
Daily Benefit Amount 500	1.500000
Daily Benefit Amount 750	2.250000
Daily Benefit Amount 1000	3.000000
Daily Benefit Amount 1500	4.500000

Other benefit factors can be obtained by formula: (Daily Benefit Amount / 100) x 0.300000

Age*	Factor	Gender	Adult/Dep
00	0.6400	Female	Adult
01	0.6400	Female	Adult
02	0.6400	Female	Adult
03	0.6400	Female	Adult
04	0.6400	Female	Adult
05	0.6400	Female	Adult
06	0.6400	Female	Adult
07	0.6400	Female	Adult
08	0.6400	Female	Adult
09	0.6400	Female	Adult
10	0.6400	Female	Adult
11	0.6400	Female	Adult
12	0.6400	Female	Adult
13	0.6400	Female	Adult
14	0.6400	Female	Adult
15	0.6400	Female	Adult
16	0.6400	Female	Adult
17	0.6400	Female	Adult
18	0.6300	Female	Adult
19	0.6200	Female	Adult
20	0.6000	Female	Adult
21	0.5800	Female	Adult

Age*	Factor	Gender	Adult/Dep
22	0.5500	Female	Adult
23	0.5100	Female	Adult
24	0.4400	Female	Adult
25	0.4000	Female	Adult
26	0.4100	Female	Adult
27	0.4300	Female	Adult
28	0.4500	Female	Adult
29	0.4900	Female	Adult
30	0.5100	Female	Adult
31	0.5300	Female	Adult
32	0.5500	Female	Adult
33	0.5800	Female	Adult
34	0.6300	Female	Adult
35	0.6700	Female	Adult
36	0.6900	Female	Adult
37	0.7200	Female	Adult
38	0.7600	Female	Adult
39	0.8200	Female	Adult
40	0.8700	Female	Adult
41	0.8800	Female	Adult
42	0.9000	Female	Adult
43	0.9300	Female	Adult
44	0.9700	Female	Adult
45	1.0100	Female	Adult
46	1.0300	Female	Adult
47	1.0600	Female	Adult
48	1.1100	Female	Adult
49	1.1700	Female	Adult
50	1.2200	Female	Adult
51	1.2600	Female	Adult
52	1.3200	Female	Adult
53	1.4000	Female	Adult
54	1.5200	Female	Adult
55	1.6100	Female	Adult
56	1.6400	Female	Adult
57	1.6800	Female	Adult
58	1.7400	Female	Adult
59	1.8300	Female	Adult
60	1.9300	Female	Adult
61	2.0200	Female	Adult
62	2.1300	Female	Adult
63	2.2500	Female	Adult
00	0.6400	Male	Adult
01	0.6400	Male	Adult
02	0.6400	Male	Adult
03	0.6400	Male	Adult
04	0.6400	Male	Adult
05	0.6400	Male	Adult
06	0.6400	Male	Adult
07	0.6400	Male	Adult
08	0.6400	Male	Adult
09	0.6400	Male	Adult
10	0.6400	Male	Adult
11	0.6400	Male	Adult
12	0.6400	Male	Adult

Age*	Factor	Gender	Adult/Dep
13	0.6400	Male	Adult
14	0.6400	Male	Adult
15	0.6400	Male	Adult
16	0.6400	Male	Adult
17	0.6400	Male	Adult
18	0.6400	Male	Adult
19	0.6300	Male	Adult
20	0.6200	Male	Adult
21	0.6200	Male	Adult
22	0.6000	Male	Adult
23	0.5800	Male	Adult
24	0.5600	Male	Adult
25	0.5400	Male	Adult
26	0.5500	Male	Adult
27	0.5700	Male	Adult
28	0.5900	Male	Adult
29	0.6300	Male	Adult
30	0.6500	Male	Adult
31	0.6700	Male	Adult
32	0.6900	Male	Adult
33	0.7200	Male	Adult
34	0.7600	Male	Adult
35	0.8000	Male	Adult
36	0.8200	Male	Adult
37	0.8500	Male	Adult
38	0.8900	Male	Adult
39	0.9500	Male	Adult
40	1.0000	Male	Adult
41	1.0300	Male	Adult
42	1.0800	Male	Adult
43	1.1400	Male	Adult
44	1.2300	Male	Adult
45	1.3100	Male	Adult
46	1.3400	Male	Adult
47	1.3800	Male	Adult
48	1.4400	Male	Adult
49	1.5300	Male	Adult
50	1.6000	Male	Adult
51	1.6400	Male	Adult
52	1.6900	Male	Adult
53	1.7600	Male	Adult
54	1.8700	Male	Adult
55	1.9500	Male	Adult
56	1.9700	Male	Adult
57	2.0000	Male	Adult
58	2.0500	Male	Adult
59	2.1200	Male	Adult
60	2.2000	Male	Adult
61	2.2800	Male	Adult
62	2.3600	Male	Adult
63	2.4500	Male	Adult
-	0.3200	Female	Dep Child
-	0.3200	Male	Dep Child

\*Issue Age Rating

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## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Cover Letter	Approved-Closed	05/05/2011
<b>Comments:</b>		
<b>Attachment:</b> CH-26116-IP (0110) AR Cover Letter.pdf		

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Rate History	Approved-Closed	05/05/2011
<b>Comments:</b>		
<b>Attachment:</b> CH-26116-IP (0110) AR Rate History.pdf		



**The Chesapeake  
Life Insurance Company**  
Home Office: Oklahoma City, OK

9151 Boulevard 26  
N Richland Hills, TX 76180  
[www.chesapeake.life.com](http://www.chesapeake.life.com)  
Phone: 800.729.2302  
Fax: 817.255.8274

4/28/2011

Ms. Rosalind Minor  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock AR 72201-1904

**RE: The Chesapeake Life Insurance Company  
Individual Policy Form Rate Change Filing for:  
Individual Hospital Confinement Indemnity Policy  
Policy Form Number: CH-26116-IP (01/10) AR  
Company NAIC # 264-61832  
Company FEIN # 52-0676509**

Dear Ms. Minor,

We are filing for a 15.6% premium rate increase for your approval for the captioned individual hospital confinement indemnity policy form. This increase will only affect new business issued on or after 6/1/2011. This increase accounts for simplification in our underwriting processes in addition to elimination of tobacco usage rates. The main changes in our underwriting are: (1) elimination of requirement in obtaining prescription drug usage history; (2) elimination of random tobacco usage tests; and (3) elimination of several health and activity related questions on the application. The underwriting changes account for a 10% increase in premium. The remaining increase is due to elimination of tobacco usage loading factor of 1.17.

This form was approved for use in your state on 6/7/2010. Currently, there are 38 policyholders in force. Rates on the in force policies will not be affected by this filing.

Enclosed in this filing is the Actuarial Memorandum, along with a revised rate page and required transmittal forms.

This rate filing has been filed as "File and Use" with our domicile state of Oklahoma. Please let us know if you have any questions or need additional information regarding this filing. Thanks in advance for your review.

Sincerely,

Jennifer Schilb  
Actuarial Analyst  
Phone: (800) 729-2302 x3884  
Fax: (817)255-8274  
Email: [NRHAct-Comp@HealthMarkets.com](mailto:NRHAct-Comp@HealthMarkets.com)

Enclosures

**CH-26116-IP (01 / 10) AR**  
Individual Hospital Confinement Indemnity Policy

Effective Date	Rate Increase/Decrease
No Rate History	